Extension of the European statistical programme (ESP) to 2018-2020

The ESP 2013-2017 is 'the legal framework for the development, production and dissemination of European statistics'. The European Commission is of the view that the current statistical infrastructure is not flexible enough and that the European Statistical System partnership does not yet deliver sufficient cost savings because of lack of investment. That is why, in line with the ten priorities of the Juncker agenda, it proposed an extension of the current programme, additional funding, and modifications to the main text of Regulation (EU) No 99/2013 and its annex. The European Parliament and the Council also inserted amendments – mainly to the annex of the regulation, which sets out the statistical infrastructure and objectives of the ESP – to enrich the statistics used for the implementation of the programme with statistics capturing employment, quality of life, gender inequality, the situation of migrants, education and healthcare. Adopted in October 2017, the extension of the programme has applied since 1 January 2018.
Introduction

There is a high level of demand for official European statistics, which – being produced and disseminated in accordance with specific principles – have an ‘added value’ for users, as compared with other sources of information. However, a number of statistical gaps need to be addressed in order for statistics to be able to support EU policies. The timeliness of some statistics also urgently needs to be improved, so that they can provide the information needed for the European Semester exercise. Although national statistical systems have made significant efforts to modernise their production methods with the support of the 2013-2017 European statistical programme (ESP), the current statistical infrastructure is still not flexible enough to deliver new statistics when needed and also limit costs and red tape. Unless the current level of investment is increased, the European Statistical System (ESS) will not be in a position to meet the growing demand for statistics or the need to make them available more quickly.

Existing situation

The European statistical programme 2013-2017 is ‘the legal framework for the development, production and dissemination of European statistics’. The current programme was established by the Council Decision 1578/2007/EC and its legal basis is Regulation (EC) No 223/2009 on European statistics. The programme has four objectives: to provide statistical information, in a timely manner, to support the development, monitoring and evaluation of policies of the EU; to implement new methods of production of European statistics aiming at efficiency gains and quality improvements; to strengthen the partnership within the European Statistical System and beyond in order to further enhance its productivity and its leading role in official statistics worldwide; and to ensure that delivery of statistics is kept consistent for the duration of the programme.
Proposal

Preparation of the proposal

In the impact assessment accompanying the proposal, the Commission identified two problem drivers, i.e. that the current statistical infrastructure is not flexible enough and that the European Statistical System partnership does not yet deliver sufficient cost savings because of lack of investment.

It examined three options, against a baseline scenario of the current ESP being extended for a further three years, but without being adapted.

The first option would be to make amendments to the current ESP and reduce the annual budget. This option was quickly discarded as it would be detrimental to the timeliness and relevance of the data. The second option would result in an amended programme, including improved statistical outputs in line with the Commission's ten political priorities, balanced by strong re-prioritisation (with the same annual budget). This option was also discarded, as some policy users had expressed a strong interest in retaining the statistics that would be reduced under this policy option. Lastly, the third option, which emerged as the preferred one, envisaged an amended programme including new statistical outputs in line with the ten political priorities, complemented by investment in the statistical infrastructure and new sources of statistics (with an increased budget).

The selected option is expected to have the greatest impact in terms of being able to produce data more quickly and includes new measures to close remaining data gaps and to improve timeliness in key areas such as energy statistics. As a result, the comparability of statistics at European level should increase in areas to be covered for the first time by the ESP; it will be possible to further modernise the ESS and make greater use of new sources such as 'big data' (to benefit users); and the response burden on authorities is expected to decrease owing to better use of existing administrative data and new sources.

The changes the proposal would bring

With regard to the main text of the regulation, the Commission is proposing to channel €218.1 million into the implementation of the programme, from the Union financial envelope, to be covered by the 2014 to 2020 programming period. It is also proposing to modify the article (changes in italics) relating to the 'protection of the financial interests of the Union,' in three ways: 'effective, proportionate and deterrent penalties' becomes 'effective, proportionate and dissuasive administrative and financial penalties'; the Commission, the Court of Auditors and their representatives will have the power to audit all grant beneficiaries, contractors, subcontractors and third parties who have, directly or indirectly, received funding under the regulation; and the European Anti-Fraud Office (OLAF) may carry out checks and inspections in accordance with the procedures laid down in Council Regulation (Euratom, EC) No 2185/96 'and in Regulation (EU, Euratom) No 883/2013 to establish whether there has been fraud, corruption, ... in connection with a grant agreement, a grant decision, or a contract funded directly or indirectly' within the framework

1 In the previous version, only the 'Commission or its representatives and the Court of Auditors' had this power.
of the regulation. Further, if the implementation of an action is outsourced or sub-delegated, or where it requires the award of a procurement contract or financial support to be given to a third party, the contract, grant agreement or grant decision must include the contractor’s or beneficiary’s obligation to impose on the third party involved explicit acceptance of those powers of the Commission, the Court of Auditors and OLAF. Lastly, it proposes to submit to the European Parliament and to the Council a final evaluation report on the implementation of the programme by 31 December 2021.

The Commission is proposing a number of amendments to the annex to the regulation, which lists the programme’s objectives. Objective 1.1.1 (Europe 2020) is modified slightly so that the information to be provided is to be available for the European Semester to monitor the implementation of Europe 2020. Under Objective 1.2.1 (economic governance) ‘public debt’ is replaced by ‘government deficit and debt’. Point II (accounting frameworks) specifies that ‘Work on GDP and beyond within the ESS focuses on three priority areas: statistics for the household sector and statistics measuring the distribution of income, consumption and wealth; measuring quality of life in a multidimensional way; and measuring environmental sustainability’ and that full implementation of the European System of National and Regional Accounts (ESA 2010) will be supported by regular quality and compliance assessments’. Under Objective 2.2.1 (environmental sustainability) indicators measuring ‘environmental pressure’ are replaced by the development of experimental ecosystem accounts, climate change-related statistics, and indicators measuring environmental ‘footprints’.

Objective 3.1.1 (business) is amended to state that legislation related to the business statistics pillar needs to be streamlined in line with REFIT. In addition, the objective is to be implemented through ‘a common legal basis for all business related statistics’.

Objective 3.2.1 (people’s Europe) is amended to include a reference to the provision of population projections and annual updates.

Objective 3.3.1 (geospatial, environmental, agricultural and other sectoral statistics) is amended to include land use and land cover statistics (LUCAS); and the coordination of statistical data for regions, regional typologies, cities and degree of urbanisation.

Under Objective 3.3.3 particular focus will be given to statistics relating to energy consumption, energy efficiency, renewable energies, energy dependence and security of supply, in line with the ‘European Energy Union’ priority of the Commission.

A new first paragraph of Point II in the proposal (production methods of European statistics) states that the ESS will face its current challenges, among other things, by (i) engaging proactively in a regular dialogue with users to gain a deeper understanding of their needs; (ii) basing statistical products and services on both traditional surveys and newer sources, including administrative data, geospatial and, where possible, ‘big data’; (iii) improving the efficiency of statistical production by further intensifying the sharing of knowledge, experiences and methodologies but also by sharing tools, data, services and resources where appropriate; and (iv) by implementing a dissemination strategy for European statistics which is flexible enough to adapt to emerging technologies.

2 For more information on this priority, see also the EPRS briefing on European business statistics.
Lastly, Objective 3.1 of Point II (multi-purpose statistics and efficiency gains in production) is to be implemented by taking ‘the European approach to statistics for quick policy response in specific and duly justified cases,’ including the development of a methodology for a gender-based violence survey.”
Views

Advisory committees

At its 521st plenary session (14 December 2016), the European Economic and Social Committee (EESC) adopted an opinion on the Extension of the European Statistical Programme (2018-2020). The EESC endorses and supports the Commission's proposal to extend the current European statistical programme to cover the 2018-2020 period and welcomes the preferred policy option chosen by the Commission. It considers that improving existing products and developing new ones is necessary to measure the EU's progress on the UN sustainable development strategy. It urges the Commission to foster statistical research for measuring the economic value of volunteering. It further considers that the new statistical products proposed by the Commission measuring globalisation should include statistical surveys measuring its positive or negative effects on the single market. It also recommends that shortcomings in statistical surveys on migration and asylum be identified swiftly and redressed. It endorses the Commission proposal to begin exploratory work on a future EU social survey. Lastly, it recommends that Member States step up investment in developing the European Statistical System (ESS) and calls for Eurostat as well as national statistical institutions to have the best possible human, financial and IT resources, while such actions must not result in an excessive increase in the administrative burden on data providers, households or businesses.

National parliaments

The deadline for raising concerns about subsidiarity was 3 November 2016. Political contributions were made by the Italian Senate and the Irish Houses of Oireachtas.
Legislative process

The Economic and Monetary Affairs (ECON) Committee of the European Parliament adopted its report on 27 March 2017. It introduced several amendments. On the main text of Regulation (EU) No 99/2013, the Committee proposed that:

> in drafting the work programme in line with Article 9, the Commission must ensure that appropriate emphasis is placed on actions aiming at promoting compliance with the Code of Practice (Article 6 (2a));

> by 30 June 2019 and after consulting the EESC and the European Statistical Advisory Committee (ESAC), the Commission should submit an intermediate progress report on the programme to Parliament and Council, detailing its view on the outlook for the ESP within the multiannual financial framework (MFF) starting from 2021;

> the evaluation report on the programme’s implementation (to be submitted by the Commission by 31 December 2021) should evaluate in particular the outcome of the re-prioritisation and cost evaluation of statistical products, the progress on rendering access to official statistics easier and more user-friendly, and on improving of data availability – especially statistics on economic activity in the tertiary sector, social economy activities and the Europe 2020 indicators.

The report makes the following main amendments to the annex to the regulation: Objective 1.1.1 (Europe 2020) is amended to include among the employment indicators, indicators distinguishing between fixed-term and permanent contracts. Objective 1.2.1 (economic governance) is amended to include statistics to monitor the economic inequalities hampering economic growth. Indicators are added to Objective 1.3.1 (economic globalisation) to allow for analysis of the positive and negative consequences for the European market, in particular the labour market.

Implementation of Objective 2.1.1 (economic and social performance) is to be enhanced through the development of: (i) a measurement framework for quality of life, reinforcing the household perspective in national accounts; (ii) ‘GDP and beyond’-related indicators measuring environmental sustainability and external effects with a national account perspective; (iii) aggregated indicators of income and aspects of wealth inequality (and their fine-tuning); (iv) a conceptual framework for the measurement and analysis of gender inequality, with particular regard to the wage gap; (v) timely indicators of citizens’ use of the right to transfer their social rights from one Member State to another.

Objective 3.2.1 (people’s Europe) will be implemented through the addition of: comprehensive indicators on the situation of migrants within the Union; further cooperation with specialised agencies concerning the situation of refugees; a methodology for a gender-based violence survey in cooperation with the European institutions acting in this field; a common legal basis for social statistics and the production of a common infrastructure and of common tools; indicators for a comparison of the cost of providing public services – in particular education and healthcare – in Europe’s regions; and the provision of statistics disaggregated by gender on the offers made to Youth Employment Initiative beneficiaries.

Lastly, a new Objective 3.3.4a is added, stating that European citizens should be able to draw on European statistics easily and freely for the purposes of education and decision making. This objective will be
implemented by enhancing the user-friendliness of European statistics and by facilitating access to data. Special attention should be paid to easy retrievability and convertibility of statistical data for practical use, including through graphs and maps. A broader range of citizens should benefit from European statistics to enhance dissemination of statistical information throughout Europe’s societies.

The Council adopted its general approach on 6 December 2016. With regard to the main text of the regulation, it proposed that by 31 December 2018 Eurostat should submit a progress report on the implementation of the programme to the European Statistical System Committee (ESSC), as well as to Parliament and the Council for information purposes (Article 15 (2a)). The final evaluation report by the Commission on the implementation of the programme (to be delivered to the Parliament and the Council by 31 December 2021) should meanwhile evaluate ‘the outcome of reprioritisation and cost evaluation of statistical products’ and action taken by the ESS ‘to reduce implementation and production costs for Member States and to limit the overall burden stemming from the statistical projects and fields covered by the programme’ (Article 15(3)).

The Council also amended parts of the annex to Regulation (EU) No 99/2013 with regard to the objectives. Objective 3.2.1 is amended to include the development of a methodology for a gender-based violence survey of a voluntary nature in cooperation with the European institutions acting in the field and the establishment of a common legal basis for social statistics and the production of a common infrastructure and of common tools. The same objective is amended so as to note that that existing legislation related to the social statistics pillar ‘needs to be streamlined in line with the Better Regulation Agenda’ and that, in this context, ‘due consideration should be given to the limitations of the resources available to producers and the overall burden on respondents’ in line with the REFIT programme.

Objective 3.3.4 is amended to ensure that agriculture, fisheries and forestry statistics for the development and monitoring of the CAP and CFP are in line with the Better Regulation Agenda and REFIT. Moreover, the objective is amended to include the establishment of a common legal basis for agriculture-related statistics and the production of common infrastructure and tools. Lastly, in Point III, Objective 1.4 is to include the promotion of European values and initiatives, such as the ESS Quality Assurance Framework (and not simply ‘quality assurance frameworks’ as proposed by the Commission).

The European Parliament and Council reached an agreement in trilogue on 6 June 2017. According to the agreement, Article 9 is modified to ensure that emphasis is placed on actions aimed at promoting compliance with the Code of Practice.

Article 15 is amended so that the Commission must submit, by 31 December 2019, a progress report on the implementation of the programme to the ESSC, the Parliament and the Council, detailing its views on the outlook for the programme within the MFF starting in 2021. With regard to the final evaluation report (to be submitted by 31 December 2021) the amended text provides that it must evaluate, in particular, (i) the outcome of the re-prioritisation and cost evaluation of statistical products, (ii) the actions taken by the ESS to reduce implementation and production costs for Member States, (iii) the progress on rendering access

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3 The European Statistical System Committee, established by Regulation (EC) No 223/2009 on European statistics, is at the heart of the European Statistical System. According to Article 7 of that Regulation, it must ‘provide professional guidance to the ESS for developing, producing and disseminating European statistics’.
to official statistics easier and more user-friendly, and (iv) the progress on improving of data availability – including on social economy activities and the Europe 2020 indicators.

The annex, to be entitled ‘Statistical infrastructure and objectives of the European statistical programme 2013 to 2020’, is amended as follows:

Objective 1.1.1 (Europe 2020) is amended to include, among the employment indicators, indicators distinguishing between fixed-term and permanent contracts. Furthermore, the indicators in that paragraph should also include data on gender divides. Objective 1.2.1 (economic governance) is amended to include statistics to monitor economic inequalities effectively. Indicators are added to Objective 1.3.1 (economic globalisation) to allow for analysis of the positive and negative consequences for the European market, in particular the labour market.

Implementation of Objective 2.1.1 (economic and social performance) is to be enhanced through the development of: (i) indicators on income, consumption and wealth distribution across households; (ii) a framework for quality of life, reinforcing the household perspective in national accounts; (iii) ‘GDP and beyond’-related indicators measuring environmental sustainability and external effects with a national account perspective; (iv) aggregated indicators of income and aspects of wealth inequality; and through (v) the measurement and analysis of gender inequality, including the wage gap.

Objective 3.2.1 (People’s Europe) is amended, so as to note that existing legislation related to the social statistics pillar ‘needs to be streamlined in line with the Better Regulation Agenda’ and that, in this context, ‘due consideration should be given to the limitations of the resources available to producers and the overall burden on respondents’ in line with the REFIT programme. The objective is to be implemented through the addition of: comprehensive indicators on the situation of migrants within the Union; further cooperation with specialised agencies concerning the situation of refugees; a methodology for a voluntary survey on gender-based violence, in cooperation with the European institutions acting in this field; a common legal basis for social statistics; and the production of common infrastructure and common tools.

Objective 3.3.4 is amended to ensure that, in the context of the need to streamline the existing legislation relating to the agricultural statistics (in line with the Better Regulation Agenda), due consideration must be given to the limited resources available to producers and to the overall burden on respondents in line with REFIT. Moreover, the objective is amended to include the preparation and implementation of the agricultural census scheduled for 2020, as well as the establishment of a common legal basis for agriculture-related statistics and the production of common infrastructure and common tools.

Lastly, a new Objective 3.3.4a is added, stating that European citizens should be able to draw on European statistics easily and freely for the purposes of education and decision-making. This objective will be implemented by enhancing the user-friendliness of European statistics and by facilitating access to data. Special attention should be paid to easy retrievability and convertibility of statistical data for practical use, including through graphs and maps. A broader range of citizens should benefit from European statistics, to enhance dissemination of statistical information throughout Europe's societies.

On 14 September 2017, the European Parliament adopted in plenary the compromise reached. The Council approved the European Parliament position at first reading on 9 October. The final act was published in the Official Journal on 31 October 2017. It came into force on 20 November, and applies as of 1 January 2018.
References

Sources


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